

BY EMAIL AND RESS

March 5, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2023-0173 – Proposed Amendments to the Transmission System Code and the Distribution System Code to Enhance Cyber Security Readiness

On February 12, 2024, the Ontario Energy Board (“OEB”) issued a Notice of Proposal (the “Notice”) to amend the Transmission System Code (“TSC”) and the Distribution System Code (“DSC”) by requiring transmitters and distributors to comply with a new Ontario Cyber Security Standard (“Standard”) document that sets out specific cyber security readiness requirements.

Hydro One Networks Inc. (“Hydro One”) agrees with the OEB that enhancing and strengthening utility cyber security readiness is crucial given the potential for heightened cyber security risk, as the energy transition takes place and new technologies are emerging in the sector. However, certain aspects of the Standard and associated Ontario Cyber Security Framework (“OCSF”) require further clarification to ensure that there is no misunderstanding by utilities of their compliance obligations. Please refer to Hydro One’s comments in Appendix A for further details.

If you have any additional questions regarding Hydro One’s comments or would like to discuss these comments in further detail, please contact Hydro One’s Regulatory Affairs team by email at regulatory@hydroone.com.

Sincerely,



Jeffrey Smith

Appendix A – Hydro One’s Comments

A) Ontario Cyber Security Standard

- Privacy Controls (ID.AM-P1/2, ID.GV-P1/P2/P3, ID.RA-P1 and ID.RM-P1)

In the proposed Standard, there are certain privacy control objectives, namely ID.AM-P1/2, ID.GV-P1/P2/P3, ID.RA-P1 and ID.RM-P1, which utilities must implement at Maturity Indicator Level 2 (“MIL-2”) and report on their implementation. However, unlike other controls in the Framework, no specific achievement level and associated illustrative examples have been identified for these privacy control objectives. Rather there are simply references to the federal privacy legislation, the “*Personal Information Protection and Electronic Documents Act (PIPEDA)*”. Hence, either these privacy control objectives ought to be removed from Section 4 of the Standard or the MIL 2 achievement for these privacy control objectives should reference compliance with applicable PIPEDA provisions.

- Timing of the implementation of the Ontario Cyber Security Standard (Mandatory MIL2)

The Notice proposes that certain control objectives identified in the Standard must be implemented at MIL-2 by October 1, 2024. As a member of CSAC, it was Hydro One’s understanding that the OEB would work with the CSAC and other stakeholders to determine an appropriate timeline for achieving MIL-2 for these control objectives.

Prior to issuing the Notice, Hydro One believes that the OEB should have consulted with the CSAC regarding the proposed mandatory enforcement date of the Standard, as originally planned. Many utilities have already identified their cyber security priorities for the year and established their implementation plans. If the processes or practices related to any of the control objective identified in the Standard need to be modified to achieve the MIL-2, this may require a change to the current plan and the deferral of priority work. Hydro One encourages the OEB to review the proposed enforcement date of the Standard through continued discussions with the CSAC.

B) Utility Cyber Security Reporting Changes

Hydro One understands that the new Cyber Security Readiness Report (“the Report”), which was issued and attached to the OEB’s letter dated February 12, 2024, is not part of the Notice. However, Hydro One submits that the proposed changes to the Report directly correlate with the proposed amendments in the Notice and more specifically the proposed implementation date for the Standard. In accordance with guidance provided in the OEB’s February 12 letter, the Report requires utilities to provide information and an attestation of compliance with MIL-2 for those requirements in the Standard that have been mapped to Questions 1(a), 1(b), 2(a) and 4(a) of the Report.

For simplicity and clarity, Hydro One recommends that utilities have the option of submitting their Report for the 2023 year based on their assessment against Version 1 or Version 1.1 of the OCSF but that no consideration be given to the implementation of the Standard.

Hydro One would also like to comment on the percentage scale of implementation being proposed for certain questions in the Report. Hydro One understands that the responses provided to these questions may be used for benchmarking purposes and the OEB plans to create a confidential, risk-appropriate benchmarking tool, which utilities can access through the reporting portal. Since there is no defined methodology that explains how utilities should report against the percentage scale when considering the OCSF controls for each question in the Report, it is inevitable that the methodologies for assessment will vary across utilities. Hydro One recommends that guidelines for utility assessments be first discussed and fine-tuned through the CSAC before the OEB proceeds with the implementation of its benchmarking tool.